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FISCAL IMPACT STATEMENT

LS 6937

BILL NUMBER: HB 1370

NOTE PREPARED: Dec 22, 2002

BILL AMENDED:

SUBJECT: Slag Used for Roads and Bridges.

FIRST AUTHOR: Rep. Kuzman

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 X FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill prohibits higher payment by the Department of Transportation (INDOT) or the Department's contractors for road building materials consisting of slag than for other materials. It requires the Department, the Department's contractors, and producers to use best efforts to avoid leaching in the use of road building materials consisting of slag.

Effective Date: Upon passage.

Explanation of State Expenditures: To the extent that the provisions of this proposal can be implemented, there should be no additional expenditures. If INDOT would otherwise have chosen to purchase a slag-based material at a higher price, expenditures would be reduced.

Background Information: For FY 2004 and FY 2005, the INDOT plans to spend approximately \$904 M each year on various aspects of construction and maintenance for highways and bridges. Conventional aggregate is crushed limestone or dolomite, whereas slag is a bi-product of the steel and cast iron industries. The product from the latter is called blast furnace slag, and the product of the steel industry is called steel slag. According to construction engineers, the use of slag would be beneficial to the environment.

Explanation of State Revenues:

Explanation of Local Expenditures: See *Explanation of State Expenditures*.

Explanation of Local Revenues:

State Agencies Affected: Department of Transportation.

Local Agencies Affected: Units with road and bridge building responsibility.

Information Sources: Sammi Noureldin, Transportation, Safety, & Pavement Manager, Department of Transportation; Budget Request for the 2003-2005 Biennium.

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